

Reporting, Monitoring, and Evaluation

In measuring the impact of projects at closure, we look at the four areas of focus within our project model. We have developed an approach to measure impacts and results within each of these areas:

- Direct company-level improvements to corporate governance: measured by surveys of clients and non-clients on practices and impacts
- Improving the regulatory framework: measured by passage and implementations of laws and corporate governance codes
- Work with educational institutions: measured by surveys of educational institutions on students taught and curricula used
- Public awareness and work with media: measured by media monitoring

In designing evaluations of our programs for purposes of reporting, we look at three basic questions:

- Do improvements in corporate governance result in investment?
- Is there a demonstration effect in the market?
- How do we achieve sustainability?

Of course, reliance on surveys to measure company-level impacts gives rise to a number of challenges. For instance, despite best intentions, survey questionnaires may not be completely unbiased. In addition, comparing performance of non-client and client companies presumes that

non-clients will be forthcoming on their financial data. In reality, this is not always the case—very few non-clients are willing to provide impact-level financial data, making it difficult to compare ability to attract investment. We are continuing to try new approaches that will help overcome these challenges.

We are also starting to think about ways to assess the longer-term impacts of projects, well beyond project closure.

What's the reason for this?

Often, project closure is the starting point for clients that were beginning to undertake corporate governance improvements. Many clients and non-clients are still in the planning stages when we exit projects, with implementation of additional improvements to come. In addition, the extent of new investment in client companies due to changes in corporate governance practices may not be apparent at project closure. Instead, such investment may come over a more extended time frame.

To address this evaluation gap, IFC, in cooperation with SECO, recently conducted a first-ever evaluation to assess the longer-term impact of IFC advisory activity in Russia during the period 2001-2007. The evaluation quantified strong impacts and results in all four areas of project work. It validated the theory that significant additional impacts would be realized two-to-three years after projects close.